

IRS News Release

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Modernized e-File Allows Electronic Filing of Partnership Returns

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WASHINGTON — The Internal Revenue Service today reminded taxpayers that the new electronic platform, Modernized e-File, allows partnerships to electronically file Form 1065, U.S. Return of Partnership Income, and Form 1065-B, U.S. Return of Income of Electing Large Partnerships. Partnerships can also submit their request for extensions through Modernized e-File.

The deadline this year for filing returns or extension requests is April 17, 2007.

Previously, using an older IRS system known as Partnership e-File, partnerships could electronically file Form 1065, but not Form 1065-B. Modernized e-File supports the filing of both and improves the e-file experience for taxpayers and practitioners.

Since tax year 1986, the IRS has offered electronic filing of Form 1065. The existing 1065 e-File platform, Partnership e-File, uses a proprietary data transmission format. However, the Modernized e-File platform uses the Extensible Markup Language (XML) format, which is an industry-standard method of identifying, storing and transmitting data. Both e-File platforms offer improved speed and accuracy of tax return filing. But Modernized e-File offers additional benefits, including transactional processing instead of batch processing, allowance for binary file attachments, elimination of the duplicate filing of International returns and a federal/state partnership program.

Beginning with tax years ending on or after December 31, 2007, Form 1065-B must be filed electronically using the Modernized e-File system.

The e-filing of partnership returns is mandatory for most Form 1065 filers with more than 100 partners. Form 1065 may still be e-filed using the existing Partnership e-File system this year. However, beginning in January 2008, Modernized e-File will be the only e-File platform available to e-File partnership returns.

Additional information on [Modernized e-File for Partnerships](#) is available on the IRS Web site at IRS.gov.